A N N U A L R E P O R T

of the

PRINCE EDWARD ISLAND CROWN BUILDING CORPORATION

for the year ended

31 MARCH 1983

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TO HIS HONOUR

THE HONOURABLE J. AUBIN DOIRON

Lieutenant-Governor of the Province of Prince Edward Island

May it Please Your Honour:

I respectfully submit herewith, for the information of Your Honour and the Legislature of Prince Edward Island, the Annual Report of the Crown Building Corporation for the fiscal year ended 31 March 1983.

I have the honour to be Sir:

Your obedient servant,

Gordon Lank
President
Crown Building Corporation

Charlottetown
Prince Edward Island

21 November 1983

P R I N C E E D W A R D I S L A N D

C R O W N B U I L D I N G C O R P O R A T I O N

Charlottetown
Prince Edward Island
21 November 1983

Honourable Gordon Lank, President
Prince Edward Island
Crown Building Corporation
CHARLOTTETOWN
Prince Edward Island

Sir:

We have the honour to submit herewith a report of the activities of the Prince Edward Island Crown Building Corporation for the year ended 31 March 1983.

On April 6, 1962, an Act was passed to establish the Prince Edward Island Crown Building Corporation, and by Order-in-Council dated April 12, 1962 (EC254/62), Honourable J.D. Stewart was designated as the Minister of the Crown, having supervision of the administration of the Act. Order-in-Council EC255/62 of the same date appointed Honourable J.D. Stewart, Douglas McGowan, M.L.A., R.G. White and J. Gilmore, as Directors of the Corporation. At the first meeting of the Corporation on 16 May 1962 Honourable H.B. McNeill was named to act as Vice-President and J. Gilmore as Secretary-Treasurer.

During the period 1962-1966 the Corporation functioned as an administrative and financing agency for the site preparation, planning, design and construction of the Provincial Administrative Buildings.

Pursuant to Section 2(d) of the Act, the Minister of Public Works was designated as Minister of the Crown responsible for the administration of the Prince Edward Island Crown Building Corporation Act (Minute-in-Council EC1160/67).

By Minute-in-Council EC969/66 and pursuant to Section 3(2) of the Act, Honourable George J. Ferguson was appointed as President of the Prince Edward Island Crown Building Corporation; effective the same date, the following were appointed as members of the Board of Directors:

Honourable M. Lorne Bonnell, M.D., C.M.
Honourable J. Elmer Blanchard, B.A.
Honourable T. Earle Hickey, F.C.A.

R. Gordon White, Esq. continued as a member of the Board, as per Minute-in-Council EC255/62, and John Gilmore, Esq., continued as Secretary.

By Minute-in-Council EC47/71, January 27, 1971, the Honourable Bruce L. Stewart was appointed as a member of the Board of Directors following the death of the Honourable J. Elmer Blanchard.

Effective 2 February 1972, (EC1027/72) Honourable J.H. Maloney, M.D. and William S. Hunt, Esq., were appointed to the Board of Directors, replacing Honourable M. Lorne Bonnell, M.D., who resigned following his appointment to the Senate, and R.G. White, Esq., retired.

By Minute-in-Council EC380/74 responsibilities for the P.E.I. Crown Building Corporation were assigned to the Department of Public Works and Highways.

Honourable Bruce L. Stewart was appointed as President of the Prince Edward Island Crown Building Corporation by Order-in-Council EC70/75, effective 2 May 1974.

By Minute-in-Council EC1/77, Honourable W. Bennett Campbell was appointed as a Director of the Corporation effective 1 July 1976. This appointment replaced Honourable T. Earle Hickey, retired.

Because of the retirement from Government of Honourable Bruce L. Stewart, President of the Prince Edward Island Crown Building Corporation, Honourable George R. Henderson was appointed President of the Corporation effective 27 July 1978 by Order-in-Council EC568/78.

By Order of His Honour the Lieutenant-Governor in Council dated 24 May 1979, EC416/79 and pursuant to Section 3 of the Crown Building Act (R.S. P.E.I. 1974 Cap. C-30), the following persons were appointed as members of the Board of Directors:

President	-	Honourable Horace B. Carver
	-	Honourable Lloyd G. MacPhail
	-	Honourable James M. Lee
	-	John Gilmore
	-	William S. Hunt

Order of His Honour the Lieutenant-Governor in Council EC345/80 dated April 3, 1980, rescinded EC416/79, and by EC346/80 of the same date the following were appointed under the Crown Building Corporation Act (R.S. P.E.I. 1974, Cap. C-30):

President - Honourable George R. McMahon, QC

Directors - Honourable Lloyd G. MacPhail
- Honourable James M. Lee
- John Gilmore
- G. Douglas Murray

By Order of His Honour the Lieutenant-Governor in Council dated 26 February 1981, EC204/81, Brian Scott, Esq. was appointed Secretary to the Board of Directors replacing John Gilmore, retired.

By Order-in-Council EC1070/81, dated November 19, 1981, and pursuant to Section 3 of the Act, the Minister of Highways and Public Works was appointed as President of the Prince Edward Island Crown Building Corporation; effective the same date, the following were appointed as members of the Board of Directors:

Minister of Finance
Minister of Health and Social Services
Deputy Minister, Highways and Public Works
G. Douglas Murray

By Order-in-Council EC756/82, dated 4 November 1982, and pursuant or Section 3 of the Act, the Minister of Transportation and Public Works was appointed as President of the Prince Edward Island Crown Building Corporation; effective the same date, the following were appointed as members of the Board of Directors:

Minister of Finance and Tourism
Minister of Health and Social Services
Deputy Minister, Transportation and Public Works
G. Douglas Murray

The chief activity of the Corporation to date has been the site acquisition, design, construction and financing of the Provincial Administrative Buildings, Rochford Street. The ongoing function is to assure income on a net lease basis with the Province and to provide an annual Sinking Fund.

Details of costs have been covered in the audited financial statement of this report, and in previous annual reports.

Respectfully submitted,

PRINCE EDWARD ISLAND
CROWN BUILDING CORPORATION

AUDITOR GENERAL

CHARLOTTETOWN

PRINCE EDWARD ISLAND

PRINCE EDWARD ISLAND CROWN BUILDING CORPORATION

FINANCIAL STATEMENTS

MARCH 31, 1983

AUDITOR GENERAL

CHARLOTTETOWN

PRINCE EDWARD ISLAND

AUDITOR'S REPORT

Board of Directors
Prince Edward Island Crown Building Corporation

I have examined the balance sheet of the Prince Edward Island Grown Building Corporation as at March 31, 1983 and the statement of income for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion these financial statements present fairly the financial position of the corporation as at March 31, 1983 and the results of its operations for the year then ended, in accordance with the disclosed basis of accounting in Note 1 applied on a basis consistent with that of the preceding year.

T. Kaptein, C.A.
Auditor General

Charlottetown, Prince Edward Island
July 28, 1983

STATEMENT 1

PRINCE EDWARD ISLAND CROWN BUILDING CORPORATION

BALANCE SHEET

MARCH 31, 1983

(with comparative figures at March 31, 1982)

ASSETS	1983	1982
CURRENT ASSETS		
Cash	$ 155,305	$ 155,314
FIXED ASSETS		
Land - cost	271,340	271,340
Building and equipment - cost - Note 1(b)	5,778,608	5,557,734
OTHER ASSETS		
Unamortized bond discount and issue expenses	140,258	146,376
	$6,345,511	$6,130,764
LIABILITIES AND SURPLUS		
CURRENT LIABILITIES		
Accrued interest	$ 155,250	$ 155,250
LONG-TERM LIABILITIES		
Debentures payable - Note 2	5,400,000	5,400,000
Less: Sinking Fund - Note 3 (Market value 1983 - 3,027,782 1982 - 2,238,648)	2,788,055	2,361,559
	2,611,945	3,038,441
Loan payable - Province of Prince Edward Island	790,261	575,514
	3,402,206	3,613,955
SURPLUS		
Unappropriated		
Net income - Statement 2	67,500	67,500
Less: Transfer to Sinking Fund Reserve	67,500	67,500
	-	-
Appropriated		
Sinking Fund Reserve		
Balance beginning of year	2,361,559	1,991,235
Investment income - Note 1(a)	358,996	340,811
Loss on sale of bonds	-	(37,987)
Sinking Fund installments	67,500	67,500
Balance end of year	2,788,055	2,361,559
	$6,345,511	$6,130,764

(Notes 1 to 4 are an integral part of these financial statements)

ON BEHALF OF THE BOARD OF DIRECTORS: P B Rudy

Rebecca Hill

PRINCE EDWARD ISLAND CROWN BUILDING CORPORATION

STATEMENT OF INCOME

YEAR ENDED MARCH 31, 1983

(with comparative figures for the year ended March 31, 1982)

	1983	1982
Lease income - Province of Prince Edward Island - net lease - Note 1(a)	$384,118	$384,118
EXPENSES		
Interest	310,500	310,500
Amortization of Bond discount	6,118	6,118
	316,618	316,618
Net Income For Year	$ 67,500	$ 67,500

(Notes 1 to 4 are an integral part of these financial statements)

PRINCE EDWARD ISLAND CROWN BUILDING CORPORATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 1983

1. Accounting Policies

   (a) The statement of income is on a net lease basis and does not include the interest on Sinking Fund investments. The investment income is shown as a separate item in the Sinking Fund section of the balance sheet.

   (b) No depreciation is being charged against the building and equipment.

2. Debentures payable - 5 3/4% Sinking Fund debentures due April 1, 2006, callable at the option of the Corporation on or after April 1, 2001. The debentures are guaranteed by the Province of Prince Edward Island.

3. Sinking Fund investments consist of the following:

	1983	1982
Cash	$ 5,535	$ 5,957
Accrued Interest	88,180	63,838
Debentures	1,920,461	408,973
Provincial Deposit Receipts	598,879	466,191
Term Deposit Receipts	175,000	1,416,600
	$2,788,055	$2,361,559

4. As at March 31, 1983 there is a commitment for renovations to the fourth floor of the Sullivan Building.

Total contract	$363,000.00
Incurred costs to March 31, 1983	194,511.16
Commitment	$168,488.84

AUDITOR GENERAL - CHARLOTTETOWN, P.E.I.

POOR

QUALITY

ORIGINAL